



NEWSLETTER

PORT AUTHORITY OF GUAM

JANUARY 2026

Board of Directors

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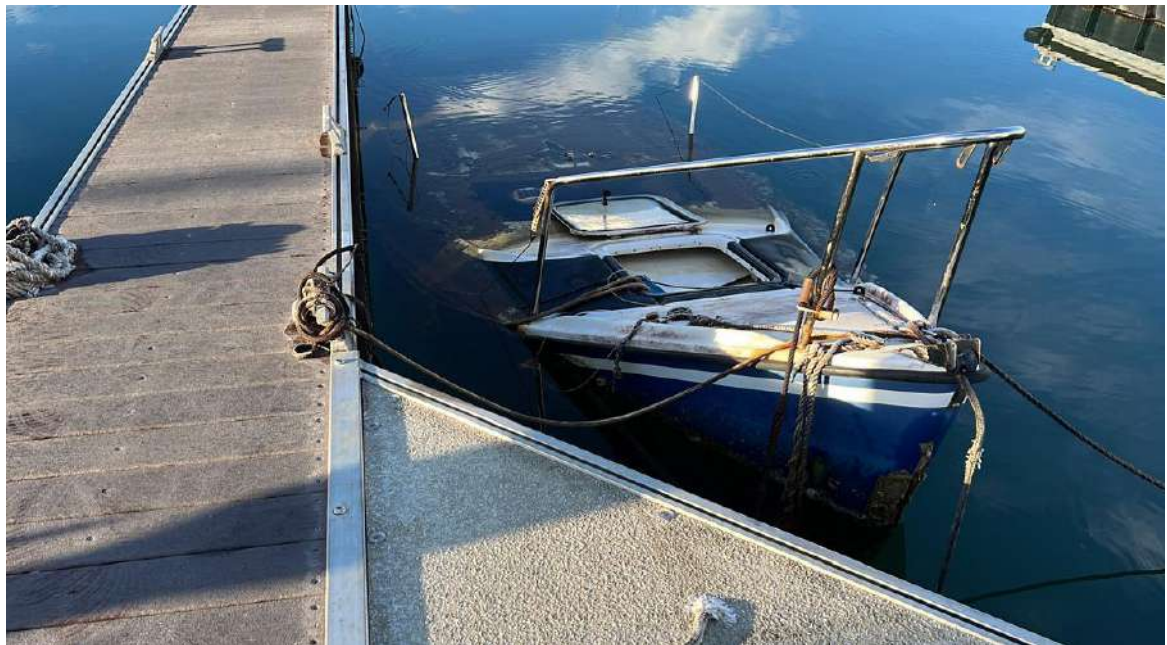
Port Management

Rory J. Respicio
General Manager
Dominic G. Muña
Deputy General Manager:
Operations
Pacifico R. Martir
Deputy General Manager:
Administration & Finance

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Port Awarded Funding to Remove Abandoned and Derelict Vessels



As part of a national effort to remove hundreds of abandoned and derelict vessels (ADV) from waterways in coastal areas, the Port Authority of Guam has received funding from the BoatUS Foundation to remove these navigation and pollution hazards from waterways at various Port-owned properties in Southern Guam.

The Port Authority of Guam has been awarded a grant in the amount of \$644,790.00 to remove 13 abandoned and/or sunken vessels located at Port Authority properties. The Port Authority will provide a match in the amount of \$214,930.00 for a combined total of \$859,720.00 for the project. This project will advance the work initiated by the Guam Abandoned Derelict Vessel Removal Group and align with

the Government of Guam's efforts to remove ADVs from waters around Guam that pose risks to the environment, public health, threats to natural and commercial resources, and waterway navigation.

The 13 vessels that will be removed on Guam are located across several sites, including Agat Marina, the Harbor of Refuge, the Seaplane Ramp, and F1 Pier.

This project was selected by a panel of independent salvage experts, state boating advocates, nonprofit research organizations, and government planning agency staff under a four-year program created by the nonprofit BoatUS Foundation. Funding for this program was provided through the National

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Oceanic and Atmospheric Administration (NOAA) Marine Debris Program with the ultimate aim of removing abandoned and derelict vessels from the nation's coastal waters and the Great Lakes. The Port Authority of Guam received support as well as nine other organizations spanning five states, one reservation and two territories.

Port Authority of Guam General Manager Rory J. Respicio said the award advances harbor safety, stewardship, and resilience.

"This grant allows us to clear hazardous derelict vessels, protect the marine environment, and restore working waterfront areas that serve our community and the region," said Respicio. "We will move forward carefully, meet all environmental requirements, and deliver a cleaner and safer harbor for Guam."

The BoatUS Foundation's national ADV

program includes the creation of a national database to locate abandoned and derelict vessels and track their removal, including abandoned and derelict vessels throughout Guam.

The BoatUS Foundation is supporting projects selected through their nationally competitive grant program for the removal of abandoned and derelict vessels throughout coastal and marine areas of the United States, including the Great Lakes, U.S. territories, and Freely Associated States. In an effort to help educate and prevent future ADVs, the Foundation is also creating a national ADV database to track the scope of the challenge and measure success, document ADV prevention and removal activities to share with the public, and support a national dialogue and education efforts on boating-related debris disposal. This project is supported by the NOAA Marine Debris Program.

No Drugs Found at Port Following Customs Enforcement Operation

The Port Authority of Guam is reaffirming the security and integrity of operations at the Jose D. Leon Guerrero Commercial Port following the conclusion of a comprehensive, multi-week enforcement operation led by the Customs and Quarantine Agency (CQA), which resulted in no drugs or contraband being discovered at the Port.

The customs-centric operation, conducted from late October through late November, involved heightened inspections of maritime vessels, vehicles, and shipping containers as part of ongoing border security efforts. According to CQA, officers inspected eight maritime vessels, 30 vehicles, and 45 shipping containers, with no illegal drugs or contraband identified during the operation.

"This operation validated the effectiveness of the security protocols and oversight measures in place at Guam's commercial seaport," said Rory J. Respicio, General Manager of the Port Authority of Guam. "We welcome enforcement operations that thoroughly assess port activity, and we are encouraged by the results confirming that no drugs or contraband were found at the Port. This reflects the professionalism of our port workforce and the strength of our collaboration with Customs and our law enforcement partners."

The operation activated specialized enforcement units, including CQA's Contraband Enforcement Team and Drug Detector Dog Unit,



and reinforced coordinated action among local and federal agencies. CQA formally recognized the Port Authority of Guam for its cooperation and operational support throughout the enforcement effort.

In a news release issued by Customs, the agency stated: "CQA extends its appreciation to the staff and management of the Port Authority of Guam for their support and cooperation during the execution of this operation. We would also like to recognize the efforts of all participants from the Guam Police Department, U.S. Homeland

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Security Investigations, the Drug Enforcement Administration, and U.S. Coast Guard.”

“We will continue to conduct interdiction operations, strengthen enforcement, and push forward with decisive action to combat illegal importation at our borders,” CQA Director Ike Peredo said in their news release. “Every interdiction we make represents a victory for our citizens and the rule of law.”

As Guam’s only commercial seaport and a critical link in the island’s supply chain, the Port Authority of Guam remains committed to maintaining a secure, transparent, and well-regulated maritime gateway. PAG will continue working closely with its partners to support enforcement activities that protect public safety while ensuring the uninterrupted flow of lawful commerce.

Port Board Approves Multiple Capital Resolutions at January Regular Meeting

The Port Authority of Guam Board of Directors held its Regular Board Meeting on Friday, January 23, 2026, at the Port Authority of Guam Board Conference Room. All agenda items were approved unanimously by the Board.

The meeting opened with approval of the minutes from the December 30, 2025 Regular Board Meeting, followed by public comments and the General Manager’s Report presented by Rory J. Respicio.

Under New Business, the Board unanimously adopted three resolutions authorizing additional capital cost offsets under Black Construction’s lease associated with the Glass Breakwater Project, consistent with Board Resolution No. 2025-23.

“The actions taken by the Board reflect a disciplined and strategic approach to investing in Port infrastructure,” said Respicio. “These projects strengthen our operational capacity, support future revenue generation, and deliver tangible benefits to both Port users and the community, while remaining fully aligned with existing lease agreements and Board direction.”

The Board approved Board Resolution No. 2025-46, authorizing an additional capital cost offset in the amount of \$5,148,904 to cover project expenses for the Quarry CAU Casting Yard at the Black Construction site. The project supports Port infrastructure improvements that are expected to generate commercial revenue upon reversion to the Port.

The Board also approved Board Resolution No. 2025-47, authorizing an additional capital cost offset of \$1,150,798.00 for improvements to the Port’s Hotel Wharf. This action deems the H-Wharf operational and capable of generating additional dockage and vessel discharge fees as a result of the capital investment.



In addition, the Board unanimously adopted Board Resolution No. 2025-48, authorizing an additional capital cost offset in the amount of \$1,419,662.00 for the construction of new bathroom and shower facilities, roadway improvements, and solar lighting at the Port’s Family Beach. The resolution also supports improvements to enhance safe access for joggers, walkers, and bikers along Route 11 leading to Family Beach. This project delivers the first permanent public-use facilities at Family Beach and expands community recreational access.

Collectively, the approved resolutions advance Port infrastructure improvements while aligning with existing lease provisions tied to the Glass Breakwater Project. The Board emphasized that these investments support long-term operational capacity, revenue generation, and public access while maintaining fiscal discipline. Director Fe Valencia-Ovalles added, “I think this is a good example of a public private partnership. It’s a good project.”

Agat Marina Dredging to Begin in May

The Port Authority of Guam and the U.S. Army Corps of Engineers (USACE) shared updates on the upcoming Agat Marina Dredging Project during a community meeting with the Agat Marina Users Group on January 21 at Agat Marina.

U.S. Army Corps of Engineers Program Manager Michael Terlaje provided an overview of the project and confirmed that dredging is expected to begin in May. The

meeting opened with welcoming remarks and introductions led by Acting Marina Manager Rita Carbullido.

Port Chief Planner Joe Javellana highlighted the extensive planning that went into the project and noted that the dredging effort is fully funded by USACE, ensuring that local users benefit from federally supported infrastructure improvements at no cost to marina tenants.

Agat Harbor was originally built in 1989 and has never undergone maintenance dredging. Over time, sand has naturally accumulated in the channel, creating shallow areas that can impact boat access and safety. Recent surveys show approximately 8,300 cubic yards of sand have built up, prompting the need for this long-awaited maintenance effort.

Sediment testing conducted by USACE confirmed the material is clean, nearly all sand, and suitable for beneficial reuse. Instead of disposing of the material offshore, the sand will be repurposed to support beach nourishment at nearby Nimitz Beach Park, providing an added benefit to the community.

During the meeting, Terlaje explained what marina users can expect once work begins, including temporary equipment staging near the marina and managed vessel traffic to allow boats to continue entering and exiting the harbor. Every effort will be made to minimize disruptions, with



project teams coordinating closely with Port staff to maintain safe access throughout.

Community safety measures will also be implemented at Nimitz Beach Park, including pedestrian fencing and traffic controls, in coordination with local agencies and the Hågat Mayor's Office.

The project represents a collaborative effort among federal and local partners, including the Port Authority of Guam, U.S. Army Corps of Engineers Honolulu District, Engineering Research and Development Center, Seabees, Bureau of Statistics and Plans, Department of Parks and Recreation, Guam Environmental Protection Agency, Guam Fire Department, and the Hågat Mayor's Office.

Following the presentation, marina tenants and residents were invited to ask questions and share feedback directly with project representatives. Closing remarks were delivered by Harbor Master Christopher Flores and Agat Marina Users Group President John Randolph Coffman, who emphasized the importance of ongoing communication as work moves forward.

The Agat Marina Dredging Project will restore safe water depths, improve navigation, and enhance overall marina conditions, while also contributing to beach restoration efforts in southern Guam, delivering lasting benefits for boaters, residents, and the broader community.

Port Hosts Courtesy Visit with Rear Admiral Jason P. Tama



The Port Authority of Guam hosted a courtesy visit on January 16, 2026 with Rear Admiral Jason P. Tama, Commander of the United States Coast Guard Cyber Command.

The visit was hosted by Rory J. Respicio, General Manager of the Port Authority of Guam, and included discussions on maritime operations, cybersecurity, infrastructure resilience, and the Port's critical role in supporting national security and regional supply chain stability.

Also attending the courtesy visit was Captain Jessica S. Worst, U.S. Coast Guard Captain of the Port for Guam, who is responsible for ensuring the safety, security, and environmental protection of Guam's port waters.

"This courtesy visit reflects the strong partnership between the Port Authority of Guam and the United States Coast Guard," said Respicio. "As Guam's only commercial seaport and a vital strategic asset in the Western Pacific, it is essential that we continue to collaborate closely on issues of security, resilience, and operational readiness. We value the leadership and expertise that Rear Admiral Tama and Captain Worst bring to these shared priorities."

Rear Admiral Tama assumed command of Coast Guard Cyber Command in May 2024

and is responsible for full-spectrum cyberspace operations supporting national, Department of Homeland Security, Department of Defense, and Coast Guard mission objectives. His career includes service as Executive Assistant to the Vice Commandant of the Coast Guard and as Senior Director for Resilience at the National Security Council, where he oversaw national policy for critical infrastructure protection, supply chain resilience, domestic preparedness, and disaster response.

He previously served as Captain of the Port of New York and New Jersey, overseeing one of the Coast Guard's largest operational commands and the busiest port complex on the East Coast. Rear Admiral Tama holds advanced degrees in engineering, naval architecture, and business administration, and has received numerous military decorations, including the Defense Superior Service Medal and multiple awards for meritorious service.

The Port Authority of Guam remains committed to maintaining strong partnerships with federal and military stakeholders to ensure the uninterrupted flow of commerce, enhance maritime security, and support Guam's role in national defense and regional stability.

Public Utilities Commission Holds Community Hearings on Port Tariff Adjustment Petition

The Guam Public Utilities Commission (PUC) conducted three community hearings to receive public input on the Port Authority of Guam's petition to update a limited portion of its tariff related to vessel operations.

The hearings were held pursuant to Public Law 26-23 on Tuesday, January 20, 2026, at the GEC Office, Suite 205, Oka Building in Tamuning; Wednesday,

January 21, 2026, at the Dededo Senior Citizens Center; and Thursday, January 22, 2026, at the Asan Community Center.

During the hearings, Port Authority of Guam General Manager Rory J. Respicio and Chief Financial Officer Jose B. Guevara III delivered a presentation outlining the petition currently under review by the Commission. The presentation explained why the Port filed the petition at this time, the regulatory conditions that triggered the filing, and the limited scope of the proposed adjustment.

The proposed adjustment applies only to labor and equipment billing associated with vessel operations, including third and fourth gangs, night shift differentials, deployment of a third gantry crane, and supervisor overtime. These services are already authorized under the existing tariff and are currently being performed by the Port.

"This is not a general tariff increase and not a tariff rewrite," said Respicio. "What is before the Commission is a targeted tariff adjustment that applies solely to labor and equipment billing for vessel operations."

Port officials explained that the petition was filed after specific regulatory triggers established by the Commission were met, including sustained inflation exceeding four percent annually and a decline in cargo throughput greater than five percent, which require the Port to return to the Commission for review.

The methodology used to calculate the



proposed adjustment is cost-based and reflects current labor and equipment expenses, including payroll burden and overhead. The adjustment would be implemented in phases to soften short-term impacts while restoring cost recovery.

During the hearings, Port officials also addressed questions regarding potential consumer impact and clarified how percentage figures associated with the petition are often misunderstood.

"To put this into practical terms, consider a common grocery item such as a canned good," said Respicio. "The recent Business Privilege Tax rollback results in savings measured in cents at the retail level. By contrast, the Port tariff adjustment reflected in the record translates to a fraction of a cent per item."

Port officials further noted that the Port exercised fiscal restraint in prior years by honoring a request from the Governor not to pursue tariff increases during fiscal years 2022 and 2023. Since 2019, the Port has absorbed increased operational responsibilities without expanding its workforce or increasing its monthly trustee allotment, which has remained at approximately \$4.7 million.

The petition is supported by an independent consultant review that found the proposed rates to be just and reasonable. The Port's Board of Directors has also authorized the filing and directed that a comprehensive tariff review be completed within the next 12 months.

Why This Targeted Tariff Adjustment Is Responsible

By Rory J. Respicio
General Manager, Port Authority of Guam

The Port Authority of Guam has filed a petition with the Guam Public Utilities Commission to update a limited portion of its tariff. As the public review process moves forward, it is important to explain clearly what this filing does, what it does not do, and why it is being brought now.

This is not a general tariff increase and not a tariff rewrite. The last general tariff increase was approved in 2017 and phased out by 2020. Since that time, the Port has not adjusted its rates, despite changing market conditions over several years.

What is before the Commission is a targeted tariff adjustment that applies solely to labor and equipment billing for vessel operations. This includes third and fourth gangs, night shift differentials, deployment of a third gantry crane, and supervisor overtime. These services are already authorized in the tariff and are currently being performed by the Port. This filing updates how existing tariff provisions are applied so billing reflects current operational conditions and is carried out consistently and predictably.

The timing of this filing reflects restraint exercised in prior years. As stated in our testimony, the Port honored a request from the Governor not to pursue tariff increases in fiscal years 2022 and 2023. That request was tied to a \$15 million American Rescue Plan grant awarded in fiscal year 2021 by Governor Lourdes A. Leon Guerrero and Lieutenant Governor Joshua F. Tenorio.

Since 2019, the Port has assumed increased operational responsibilities without expanding its workforce or increasing its monthly trustee allotment, which has remained at approximately \$4.7 million. During this period, the Port stabilized its finances, maintained clean audits, improved bond ratings, and secured significant federal funding for infrastructure and port security improvements. These actions reflect disciplined financial management during a period of rising operational demands.

Throughout this time, the Port maintained uninterrupted operations while meeting administrative, operational, safety, security, and



service requirements that support Guam's supply chain and overall economic stability.

We recognize that families and businesses across our island and region are sensitive to costs. For that reason, the scope and impact of this filing were carefully evaluated and discussed with stakeholders before being brought to the Commission.

It is also important to clarify how percentage figures are often misunderstood. The phased adjustment, including the 17 percent component, applies only to specific labor and equipment line items within the tariff. It does not translate dollar for dollar to a consumer's grocery bill.

To put this into practical terms, consider a common grocery item such as a canned good. The recent Business Privilege Tax rollback results in savings measured in cents at the retail level. By contrast, the Port tariff adjustment reflected in the record translates to a fraction of a cent per item. Put simply, the Business Privilege Tax rollback produces savings measured in cents, while the Port tariff adjustment is measured in hundredths of a cent per item.

We look forward to public participation and input on how fees may be structured within the tariff framework to meet public needs while maintaining a stable and predictable Port system for Guam and our region.

Administration Calls for Affordability to Guide Port Tariff Review

The Leon Guerrero–Tenorio Administration is calling on the Guam Public Utilities Commission to place affordability at the center of its review of a pending tariff request from the Port Authority of Guam, citing sustained cost-of-living pressures on Guam families and small businesses.

In a letter submitted January 20, 2026 to the Commission regarding Port Docket 25-03, Governor Lourdes A. Leon Guerrero and Lieutenant Governor Joshua F. Tenorio acknowledged the critical role the Port has in Guam’s economy and urged caution in the current environment.

“The Port serves as the gateway for nearly all goods entering our island and is essential to both our commercial supply chain and national defense posture,” they wrote to Commissioners.

At the same time, the Administration emphasized that Guam residents continue to face cost pressures that must be carefully weighed in any regulatory decision affecting import-related costs.

The letter continues, “Guam’s residents are also experiencing sustained cost-of-living pressures that are straining household budgets.” It also notes that these pressures are being felt directly by families across the island, stating “Monthly expenses for many families are exceeding what they can reasonably absorb.”

While information in the docket suggests the direct impact on consumer prices may be limited, the Administration cautioned that Guam’s reliance on imported goods means even modest upstream cost changes can move quickly through the supply chain.

“Because Guam relies heavily on imported goods, changes to costs at the port can be felt quickly in the price of essentials,” the Governor and Lt Governor wrote.

The Administration also highlighted that these affordability concerns coincide with broader



fiscal uncertainty, including less predictable federal funding for essential services, and state in the letter, “As federal support becomes less predictable, Guam may increasingly need to rely on local resources to maintain critical safety net programs.”

While reaffirming support for the Port’s long-term strength and modernization, the Administration underscored that affordability and infrastructure investments must be balanced with careful timing and a clear understanding of household impact.

“Our administration remains committed to supporting the Port’s long-term resilience and modernization” the Administration emphasized, and that “commitment must be exercised responsibly.”

“Affordability must be balanced with the need to sustain critical services and infrastructure, and that balance requires careful timing and a clear understanding of the cumulative impact on households,” added Governor Leon Guerrero and Lt. Governor Tenorio.

The Leon Guerrero–Tenorio Administration respectfully requested that the Commission give significant weight to affordability considerations and consider deferring or conditioning any approved tariff adjustments until there is greater clarity in Guam’s near-term fiscal outlook and stability in federal funding for essential services.



PORT WELLNESS MATTERS

Taking care of our people—mind, body, and balance.



Mental Wellness



Physical Wellness



Community & Support

Healthy Employees. Stronger Port.

Your well-being keeps Guam moving.

The Port Authority is finalizing an update to the Port's Physical Fitness and Wellness Program policy, which had not been formally updated since September 22, 1999.

The updated policy preserves the original structure and limits of the program while modernizing its scope and safeguards. Participation remains voluntary and capped at one hour per day and no more than three hours per week. Time may not be aggregated into a single extended period and remains subject to operational needs and supervisory approval. This update formally documents practices that have already been in place in practice and responsibly administered over the past seven years under this administration.

The update expands the scope of the 1999 wellness program, which was limited to physical fitness, to also include mental and emotional well-being through reasonable self-care. It expressly allows use of wellness administrative leave for

counseling, therapeutic services, and related self-care activities, while prohibiting any requirement for employees to disclose medical information, diagnoses, or proof of participation.

The policy also strengthens safeguards to prevent misuse by clarifying that wellness administrative leave may not be used to avoid required leave charges, shorten the workweek through recurring patterns, or circumvent attendance rules. Misuse is addressed based on patterns of use and operational impact, with final authority vested in the General Manager.

This update is issued as a General Manager policy under Executive Order 2012-07 and addresses internal workforce management only. It does not create new benefits, compensation, or entitlements, and it does not alter the authority of the Port Authority Board.

The proposed policy has been circulated internally for comment and will be finalized and issued following that review.

Planning Hosts Employee Wellness Health Screening and Presentation



The Port Authority of Guam successfully held an Employee Wellness Health Screening and Presentation on Thursday, January 22, 2026, in the Operations Training Room, providing employees with an opportunity to focus on their health and well-being at the start of the new year.

The event was hosted by the Port's Strategic Planning Division and featured a comprehensive health screening conducted by the Guam Diabetes Association. Employees were able to receive screenings for body mass index, blood pressure, and fasting blood sugar, helping them better understand key indicators of their overall health.

Following the screenings, Guam SDA

Wellness delivered a health presentation focused on New Year health resolutions and practical strategies for staying on track throughout the year. The presentation emphasized small, sustainable lifestyle changes and the importance of consistency in achieving long-term health goals.

The wellness event encouraged employees to take proactive steps toward maintaining their health and making informed choices that support both personal well-being and workplace productivity. The Port Authority of Guam remains committed to promoting a healthy workforce and supporting initiatives that enhance employee wellness.



Photo Highlights



Photo Highlights Continued



Happy Birthday

Jennie C. Untalan
Dennis J. Perez
Eugene F.S. Blas
Paul R. Salas
Walter M. Santos
Albert I. Tudela
Joaquin T. Manglona
David F. Naputi
Ronald E. Laitan
Bryan A.L. Santos
Ronnie D. Sablan Jr

Mark R. Rivera
Christopher J. Taitano
Woodrow Concepcion II
Joaquin J. Cruz
Semjelfh Rew D. Davis
Antonio G. Genovana
John Gp. Quintanilla Jr
Kellen I. Y. Kawasaki
Jesus P. San Nicolas Jr
Ryan J. Arriola
Juanito S.N. Untalan

Christopher Flores
Juan B. Aquiningoc
Cory A. Reyes
Teresa M. Taitano
Jesse J.S. Mendiola
Christina R. Cruz
Jennifer R.S. Barcinas
Tristan J. Flores
Sirena Marie O. Cepeda
Jesse Jon Messer
Pacifico R. Martir
Glen S. Topasna
Aaron J. Hall